



OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note

Fiscal Note On: **HB 903** HLS 09RS 3615  
Bill Text Version: **REENGROSSED**  
Opp. Chamb. Action:  
  
Proposed Amd.:  
Sub. Bill For.: HB 375

<b>Date:</b> June 16, 2009 3:36 PM	<b>Author:</b> ARNOLD
<b>Dept./Agy.:</b> Local Taxing Authorities	
<b>Subject:</b> Constitutional Amendment - Ad Valorem Tax	<b>Analyst:</b> Michael Cragin

TAX/AD VALOREM TAX RE SEE FISC NOTE LF See Note Page 1 of 1  
(Constitutional Amendment) Limits the power of taxing authorities with governing authorities which are not elected to increase millage rates without voter approval and requires elections to approve the levy or renewal of property taxes of such  
**Purpose of Bill:** : This measure amends the Constitution to limit the power of taxing authorities, whose governing boards are not elected, to increase millage rates without voter approval. The increase in the millage rate shall not increase property taxes collected by an amount which exceeds 2.5% of collections for the calendar year immediately preceding the year for which the increase is proposed. Elections to approve the levy or renewal of ad valorem taxes for those entities must only be held during gubernatorial primary, gubernatorial general, congressional primary, or congressional general elections. However, on a year without such an election, the election for such approval may be called on the same date as a municipal primary or general election.

To be submitted to the electors at the statewide election to be held on November 2, 2010, and if passed to become effective January 1, 2011. (Companion to HB902)

EXPENDITURES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2009-10	2010-11	2011-12	2012-13	2013-14	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

**EXPENDITURE EXPLANATION**  
This fiscal note only addresses this measure as a constitutional process bill; therefore we only included the cost of the election. Further fiscal analysis has been done on enabling legislation in HB 902.

An official with the Secretary of State’s Office informed us that putting this item on the November 2010 ballot would cause no additional expenditures to be incurred by the state or local government. This official also informed us that local funds expenditures may decrease in those elections where additional state paid ballot items are added. The actual savings to local jurisdictions cannot be determined until after the ballots are built.

**REVENUE EXPLANATION**  
This fiscal note only addresses this measure as a constitutional process bill; therefore we only included the cost of the election. Further fiscal analysis has been done on enabling legislation in HB902.

Senate

Dual Referral Rules

☐ 13.5.1 >= \$500,000 Annual Fiscal Cost

☐ 13.5.2 >= \$500,000 Annual Tax or Fee Change

House

☐ 6.8(F) >= \$500,000 Annual Fiscal Cost

☐ 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease

Joy Irwin  
Director of Advisory Services